United Nations S/2007/113

Security Council

Distr.: General
27 February 2007

Original: English

Letter dated 23 February 2007 from the President of the Governing Council of the United Nations Compensation Commission addressed to the President of the Security Council

The Governing Council of the United Nations Compensation Commission has concluded its sixty-second session, which was held at Geneva from 20 to 22 January 2007.

During the opening plenary meeting, Belgium was elected as the President and Indonesia was elected as a Vice-President, joining the Republic of the Congo, the other Vice-President.

Representatives of Kuwait, Iraq, the Islamic Republic of Iran, India and Jordan addressed the Council. Copies of their respective statements are being sent by mail with the original of this letter.

During the session, the Council considered reports on the activities of the Commission since the last session; on the distribution by Governments and international organizations of payments to successful claimants and the return of undistributed funds; on the corrections of awards pursuant to article 41 of the Provisional rules for claims procedure; and on claims pending in the Commission database.

The Council adopted two decisions, one pertaining to the corrections of awards identified in the article 41 report and the other pertaining to the valuation of claims pending in the database.

With respect to the issue of arrangements for ensuring that payments are made to the Compensation Fund, the Council noted that the shortfall of income to the Fund had increased to approximately $53.6 million and also noted that the Government of Iraq is considering draft legislation relating to the development of oil fields and the distribution of oil revenues. The Council requested that the secretariat continue to monitor the issue of the shortfall and that it obtain any relevant information on how the draft legislation would be consistent with the current arrangements.

During the session, the Council also heard a briefing from the secretariat on the status of the implementation of the follow-up programme approved by the Council at its fifty-eighth session in December 2005 to monitor the technical and financial aspects of the environmental remediation projects.

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The Council noted that the secretariat's investigation into the issue of overpayments resulting from multiple claims filed by the same or related claimants had been concluded and recalled its earlier decisions on measures to recover the overpayments, including the requirement that all affected Governments and submitting entities must undertake "best efforts" to recover the overpaid amounts and return them to the Commission. With respect to the current hold on payments to the Islamic Republic of Iran as a result of confirmed overpayments, the Council clarified that the hold should equal the amount of unrecovered "identifiable" overpayment and that any amount in excess thereof should be released. The Council requested that the secretariat continue its communications with the Islamic Republic of Iran on this issue. The Council also heard a report by the secretariat on the best efforts responses received from submitting entities to date.

With respect to the audit of Compensation Commission activities, the Council took note of the audit reports of the Office of Internal Oversight Services on duplicate claims and the Commission strategic planning process, and the responses of the Executive Secretary thereto.

The Council also took note of a report by the Committee on Administrative Matters regarding revisions to the approved budget of the Executive Secretary for 2007.

With respect to requests by the Government of India in its statement at the opening plenary meeting that the Governing Council consider granting an extension of the 30 September 2006 deadline for the location of and payment to unlocated claimants and that it accept 8,050 individual claims for late filing, the Council noted that it had previously considered these requests and declined to accept them.

The Council decided to hold its next regular session from 20 to 22 June 2007.

The Council was informed by the secretariat that the next payment to successful claimants pursuant to Governing Council decision 256 is scheduled to be made in April 2007 and that there are now 43 approved claims in category E (claims of corporations, other private legal entities and public sector enterprises) and category F (claims of Governments and international organizations, including environmental claims), with a total outstanding balance of approximately $30.6 billion, which have not been paid in full. The overall amount of compensation made available to date by the United Nations Compensation Commission is approximately $21.8 billion.

(*Signed*) Alex **Van Meeuwen**
President of the Governing Council

Annex

Documents before the Governing Council at its sixty-second session

1. Thirty-sixth report of the Executive Secretary pursuant to article 41 of the Provisional Rules for Claims Procedure (S/AC.26/2006/4).
2. Decision concerning corrections of awards pursuant to article 41 of the Provisional Rules for Claims Procedure (S/AC.26/Dec.262 (2006)).
3. Thirty-seventh report of the Executive Secretary pursuant to article 41 of the Provisional Rules for Claims Procedure (S/AC.26/2007/1).
4. Decision concerning corrections of awards pursuant to article 41 of the Provisional Rules for Claims Procedure (S/AC.26/Dec.263 (2007)).
5. Decision concerning claims pending in the database that contain personal losses (S/AC.26/Dec.264 (2007)).